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Statement of Rep. Christopher Shays April 12, 2005

The Oil-for-Food Program (OFFP) was destined to degenerate into commercialism and corruption. As the humanitarian adjunct to a prolonged and notoriously leaky United Nations (U.N.) sanctions regime against Iraq, the OFFP inherited the habits of secrecy and self-interest that undermined international efforts to contain Saddam Hussein from the start.

Within days of adopting Security Council Resolution 661 imposing comprehensive economic sanctions on Iraq after the 1991 invasion of Kuwait, the committee formed to enforce the U.N. mandate began to receive requests from Member States for exceptions and waivers. Over the next four years, proposals to ease rather than enforce the sanctions would dominate deliberations of the so-called "661 Committee" which consisted of all permanent and rotating Security Council members.

But few governments beside the United States and the United Kingdom consistently reviewed the growing volume of trade proposals. Others over time appeared to tire of the effort, choosing economic gain over continued political cost. Saddam and his would-be trading partners intentionally swamped the panel with waiver proposals they knew would never be granted in an effort to portray the sanctions as both inhumane and unsustainable.

The U.N. was at war with itself. Despite Security Council directives, some U.N. agencies resisted sanctions enforcement as antithetical to the institution's neutrality and humanitarian mission. Other U.N. sanctions regimes had foundered when dictators exploited this ambivalence by redirecting the intended coercive impacts of economic strictures onto oppressed civilian populations. It was a lesson Saddam learned well.

So it should have been no surprise to anyone familiar with the dynamics of the 661 Committee that the Oil-for-Food Program weakened, rather than strengthened, the Iraq sanctions as an alternative to armed conflict. According to the Duelfer Report, the program "rescued Baghdad's economy from a terminal decline created by sanctions. The Regime quickly came to see that ... [the Oil-for-Food Program] could be corrupted to acquire foreign exchange both to further undermine sanctions and to provide the means to enhance dual-use infrastructure and potential WMD-related development."

Sitting on the 661 Committee, a blind man could have seen that outcome was inevitable. But for too long we were all blind to the sordid realities of a U.N. Security Council mired in Saddam's anti-sanctions propaganda and the unseemly pursuit of commercial interests by some Member States.

Our purpose today is to help lift the shroud of secrecy that still blocks a complete view of the Iraq sanctions and the Oil-for-Food Program. Access to most U.N. records on these programs continues to be restricted. But thanks to Mr. Paul Conlon and the University of Iowa Library, summary minutes of 661 Committee meetings from 1991 through 1994 and other U.N. documents are on the public record. They contain pointed references to Saddam's recalcitrance, to the scams and forgeries that became Oil-for-Food vouchers and kickbacks, to a U.N. bureaucracy ill-suited to complex trade regulation and to a Security Council politically unwilling to confront any of it.

Testimony by all our witnesses will provide unique perspectives on U.N. deliberations and bring additional transparency to a process that grew fetid in secret. We appreciate their time and expertise as we consider the origins and implications of the Oil-for-Food scandal.